

FY 1999 COMMERCE BUDGET IN BRIEF

INTRODUCTION

ABOUT THE BUDGET IN BRIEF

This Budget in Brief serves several purposes. It provides a policy overview of the Department of Commerce's bureaus and major programs, and it cites the ways they address the Nation's needs. It summarizes the activities we plan to accomplish in FY 1999 and identifies the resources we need in order to conduct them.

The Budget in Brief contains several sections. The Introduction highlights the Commerce Department's programmatic missions and describes the ways we support the President's agenda. The Introduction also identifies the overall resource levels that we seek for FY 1999, and describes the other components of our budget request.

The Introduction cites the specific initiatives we will conduct in FY 1999 and describes why they are important. The Introduction also focuses on our strategic planning activities, provides a framework which links our programs and goals together and demonstrates the synergy between them, and shows how FY 1999 progress in meeting our goals can be measured. The final part of the Introduction provides summaries of Departmental and bureau levels of budget authority, outlays, and employment.

Following the Introduction, the Budget in Brief provides chapters which provide bureau-by-bureau summaries of our program activities, budget requests, and performance measures.

The last portion of the Budget in Brief contains additional summary and technical information, legislative requirements, and a glossary of terms used in the Budget in Brief.

The Budget in Brief is also available electronically, through the Department of Commerce's website, at <http://www.doc.gov/bmi/budget>

POLICY OVERVIEW

The projections telling us that the end of the Federal budget deficit is at hand -- a conclusion reached by both the Office of Management and Budget and the Congressional Budget Office -- are indeed good news for the Nation. This signals that the Administration's strategy of creating jobs through increased trade and American competitiveness at home and abroad, and of keeping tight controls on Federal spending -- seeking increases only for the highest priority investment programs with the best "return on investment" for America -- has been a success. The Department of Commerce has played a critical role in the Administration's investment strategy over the last five years, and we seek to continue that track record into FY 1999.

The Commerce Department's programs provide vital services to the Nation's families, businesses and industries, communities, universities and research organizations, and Federal, State, and local governments. The Department provided these services against a backdrop of increasing expectations and demand for our programs' services, but with resource levels that generally failed to keep up with the rising demands. Indeed, our FY 1999 budget request of \$4.9 billion is essentially the same, in constant dollars, as it was a decade ago.

The Department of Commerce plays a key role in America's world-class leadership in science, technology, trade, and information. The Department implements programs that: support R&D and promote the application of innovative technologies to commercialization of business processes; protect life and physical property, manage natural resources and tell us much about the natural environment; ensure protection of intellectual property; expand opportunities in the international marketplace through export licensing; provide management and technical assistance to minority business and economically distressed areas, and collect and disseminate economic and demographic data and environmental information used by private and public sector policymakers and to measure our national economic well-being.

1997 was full of examples showing how the

Department provides that leadership. A Commerce scientist at NIST -- Dr. William Phillips -- won the 1997 Nobel Prize for Physics in recognition of his research in the laser cooling of atoms. NOAA climate scientists provided a six-month forecast for one of the biggest El Niño events of this century. We also granted 112,646 new patents for things that were only dreamed of a short time ago -- such as a process for detecting a gene that is predisposed to breast cancer, and the gas-powered fuel cell -- which will help raise further the American family's quality of life, and make American business and industry more productive, safe, and efficient.

In FY 1998, Commerce will continue its commitment to the health and sustainability of our oceans, focusing efforts during 1998's Year of the Ocean. In particular, NOAA will focus on improving the quality of coastal waters, protecting habitat for marine resources, understanding and predicting the role of the oceans as a driver of global climate, making marine transportation safer and more efficient, and building awareness of the importance of oceans in our daily lives. Our FY 1999 efforts will build on this foundation.

America's small and medium-sized businesses are the heart of the Nation's economy and the focal point for Commerce programs. We provided critical technical help and information to these businesses, enabling them to grow and bolster the American economy during the last five years. This help ranges from advances in telecommunications -- critically important to the thousands of small businesses that are run from home or small offices -- to high-tech processes so necessary for medium-sized businesses' capacities to produce new products on a large scale.

14.6 million new jobs have been created in the last five years, and we know that wages in exporting jobs are 13 percent higher than the average for all jobs in the non-farm sector. The Department of Commerce plays key advocacy and market development roles in the Nation's exporting and international trade activities and points the way for our Nation's exporters. Fulfilling our leadership role with the Trade Promotion Coordinating Committee, we are pressing the National Export Strategy into areas that will help keep America a successful competitor in the global marketplace.

The economic development assistance that the Commerce Department provides to communities across the Nation helps these communities to attract industry, recover from natural and economic disasters, and make permanent improvements to

their economic bases.

But the Nation's capacity to produce jobs, support the growth of business and industry, and sustain communities remains vulnerable to the forces of nature and the availability of resources. The services of the National Weather Service protect virtually every American family's daily life and every basic industry -- farming, transportation, fishing, tourism. Other Commerce programs, like our support for coastal communities, and our air and water research, help ensure that the Nation enjoys a healthy natural environment within which to thrive.

All of our activities have strengthened the Nation's economy, and this stronger economy has allowed the Nation to reach its long-awaited goal of balancing the Federal budget, which will occur for the first time in three decades. The budget deficit -- which dropped from \$290.4 billion in FY 1992 to \$22.6 billion in FY 1997 -- is at its lowest dollar level since 1974. As a percent of GDP, the deficit dropped to 0.3 percent, the lowest rate since 1970. The Nation's overall economy has grown at a 2.8 percent annual rate over the past five years, and we can now look forward to an era of balanced budgets and the true opportunity for long-term investment, which will build and sustain a sound future for coming generations.

THE FY 1999 BUDGET

The FY 1999 budget request for the Department of Commerce is \$4.9 billion, an increase of \$700 million (or 16.7%) over the FY 1998 level of \$4.2 billion. This change is attributable to preparations for the upcoming decennial census -- required by law -- and selected high-priority initiatives. Full-Time Equivalent (FTE) employment in FY 1999 will be 44,158, up from the FY 1998 level of 38,347, largely due to Census needs.

Our FY 1999 budget request consists of several elements:

- o this Budget in Brief, which summarizes our FY 1999 request;
- o the more extensive bureau-by-bureau budget justifications which lay out the details of the Administration's plans for the Department of Commerce and its programs for FY 1999;
- o the Commerce Strategic Plan, which covers the 5-year planning horizon of FY 1997-2002, and which sets the context within which our FY 1999 activities play a part; and,

- o the Annual Performance Plan (to be issued shortly after the Budget in Brief), which identifies the program goals, objectives, and specific performance measures which we will use to ensure that our resources are used efficiently and effectively in FY 1999. The Annual Performance Plan is a new part of the budget process, and provides a vital crosswalk between the 1-year budget request and 5-year planning horizon.

The Commerce Strategic Plan is discussed below.

SECRETARIAL INITIATIVES

For FY 1999, the Administration has established high-priority Initiatives which address the Nation's most critical and timely needs, and which do so within the limitations of a balanced budget. The Secretary seeks to support the President's agenda by proposing a limited number of critical Initiatives which flow directly from our strengths and which build on our basic programs. But even when added together, our total FY 1999 request in support of American businesses, communities, universities, and families, still leaves the Commerce budget (excluding the once-a-decade Decennial Census' resources) as the smallest of any Cabinet agency.

These crucial Secretarial Initiatives, cut across our bureaus and underscore the strength of the Department when we work together. These Secretarial Initiatives are presented below, and their component elements are discussed later in this Budget in Brief.

- o Conduct Decennial Census will fulfill the Constitutional mandate for this important activity. Implementing the most accurate Decennial Census is among the highest priorities for the Department in FY 1999, when final preparations are to be made. In 1991, the National Academy of Science was directed by Congress to study the problem and propose methods that would improve accuracy at acceptable cost. After several years of study, the Academy found that no amount of money spent on traditional methods could achieve satisfactory accuracy. The Academy recommended that traditional methods be complemented with scientific sampling along the lines that the Census Bureau has adopted for 2000.

FY 1999 is the critical year of preparation for Census 2000 as several preparatory activities need to be completed, including: completing all address listing work; setting up the field infrastructure; printing questionnaires, and developing and manufacturing the hardware and software for our data capture system. Funding in the request assumes the use of sampling in the 2000 Census.

- o Upgrade the Nation's Statistics will improve the Nation's information which is so crucial to sound decision-making by business and policy makers. The dynamic U.S. economy has been creating new industries and expanding aspects of existing ones, yet we are straining to measure it accurately. Core institutions in this country -- ranging from the Federal Reserve System to major employers to small investors in financial markets -- are at risk in the absence of relevant accurate, and timely information. ESA will improve the quality of important national accounts data, and re-engineer their computer systems to help improve data gathering capability and improve the accuracy of our Nation's statistics. The Census Bureau will implement the North American Industrial Classification System in its current economic survey, improve data used for the GDP, implement new measures of poverty, conduct the Census of Governments, and continue to test the Continuous Measurement program.
- o Foster Sustainable Development is intended to ensure that Americans reap the benefits from both a healthy environment and a strong economy. This initiative seeks to build on the strengths of commercial and recreational fishing industries, protect coastal and marine species and habitats, and support coastal communities, thus leading both to improvements in employment and economic development, and a healthier coastal ecosystem. NOAA's participation in the Clean Water Initiative will help the Federal Government continue to assist state and local communities as they respond to outbreaks of harmful algal blooms such as *Pfiesteria* and red tide.
- o Preserve and Enhance Scientific Infrastructure addresses the Administration's deep-seated commitment to harnessing the power and promise of leading-edge advances in technology, which are so crucial

to the Nation for the 21st century, especially our critical capacity to engage and win in the increasingly competitive global economy. The Advanced Technology Program will continue to provide resources for the cost-shared exploration and development of precompetitive, high-risk technologies with significant commercial potential. In addition, the Manufacturing Extension Partnership Program will continue to assist the Nation's 382,000 small and medium sized manufacturers assimilate new technologies and manufacturing processes. The Commerce Department's technical infrastructure -- once the envy of the world, but now increasingly unable to keep up with new and more sophisticated vital research -- must be modernized. This includes an Advanced Metrology Laboratory at NIST, which will provide a new state-of-the-art facility capable of conducting sophisticated research and developing critical metrology standards. In addition, NOAA's Climate and Global Change program supports sustainable development by addressing scientific issues associated with long-term climate and air quality.

- o Promote Natural Disaster Reduction recognizes that while we cannot control the forces of nature and their \$50 billion annual devastations of American communities, workplaces, and homes, we can do three things: move out of harm's way, keep out of harm's way, and promote long-term recovery. This initiative focuses Commerce programs' capacity to act as key agents of change for improving the Nation's ability to save lives and reduce the costs of future natural disasters.

Restoring funding for the National Weather Service base operations pursuant to the recommendations of retired General John Kelly Jr., is a key component of this initiative.

- o Economic and Trade Assistance for Impacted Communities will enable the Department through a new office in EDA to coordinate the Federal response to communities and localities experiencing major plant closings or adjusting to changing trade patterns. As our Nation's economy evolves with the infusion of new trading partners and shifting needs, this coordinated effort will give our communities the tools they need to compete in the global

marketplace as effectively as possible.

- o Support Public Broadcasting Digital Conversion provides a commitment to ensure that public broadcasting is modernized to support education and cultural programming in under-served areas of the country. As the broadcasting industry converts to digital equipment, the public broadcasting stations must keep pace, but these stations will have difficulty generating the resources to invest in necessary technology required to retain their spectrum licenses. NTIA, in a joint program with the Corporation for Public Broadcasting, will provide grants to stations which support the conversion, and promote greater efficiency and innovation in the public broadcasting system.
- o Promote Electronic Commerce is the strategy announced by the President in July 1997, to expand economic growth through the Internet and other computer-based communications. Our world-class technological capabilities in areas such as telecommunications and encryption, and our responsibilities for functions including intellectual property protection, place Commerce at the forefront of this initiative which is so critical to the Nation's leadership role in the 21st century. Our FY 1999 activities under this initiative include: Census will implement the International Trade Data System to improve collection of critical trade data; NTIA will improve spectrum availability for public safety needs, reduce Adjacent Band interference, implement a New Technology Application initiative, and through the National Information Infrastructure Grants program, will encourage more widespread commerce via the Internet and ensure that the latest technological advances are applied to develop the world's best telecommunications information infrastructure; MBDA will make information, consulting, and business opportunities more available on the Internet; PTO will make its services more Internet accessible; and, ITA will work to ensure that American firms are not disadvantaged by foreign regulation of electronic commerce and help our firms harness this technology as a way to increase exports.

STRATEGIC PLANNING AND THE FY 1999 BUDGET: COMMERCE SETS A CONTEXT FOR THE FUTURE

The Government Performance and Results Act (GPRA) requires that agencies develop strategic plans that contain goals, objectives, and performance measures for all major programs. As a Department, we have embarked actively on an effort to capitalize on the synergy between our programs, and to implement a strategic plan which enunciates a central mission statement and links our programs together. The Commerce Strategic Plan, issued in September 1997, does just that.

As stated in the Strategic Plan, our Mission Statement and three Strategic Themes are:

The Department of Commerce promotes job creation, economic growth, sustainable development, and improved living standards for all Americans, by working in partnership with business, universities, communities, and workers to:

Theme 1. Build for the future and promote U.S. competitiveness in the global marketplace, by strengthening and safeguarding the Nation's economic infrastructure. (We call this the Economic Infrastructure Theme.)

Theme 2. Keep America competitive with cutting- edge science and technology and an unrivaled information base. (This is the Science, Technology, and Information Theme.)

Theme 3. Provide effective management and stewardship of the Nation's resources and assets to ensure sustainable economic opportunities. (This theme covers our Resources/Assets Management/Stewardship activities.)

A key advantage of our Strategic Plan's structure is its flexibility, which recognizes that some programs can have dual applications. For example, some technology programs can be cited under Theme 1 because they support the expansion of the economic infrastructure, as well as Theme 2, because they focus on technological innovation. Similarly, the content and application of patentable new scientific and technological discoveries fall under Theme 2, but the protection of the rights to this intellectual property -- an important National asset -- equally makes these programs candidates for Theme 3.

Under the Secretary's leadership, the Department of

Commerce will use the Strategic Plan to establish a context for the future and will use the FY 1999 budget to take important steps toward that future.

To pursue the Commerce mission, and to ensure the success of the three Strategic Themes, we need new insights, new information, and application of new technology, all brought together in a unique way. As America moves into the 21st century, the capabilities and services delivered by the Department will be key to our domestic security and global competitiveness. Commerce is the only Federal department whose structure encourages the integration of economics, trade and business development, environmental stewardship, technology and information. The integrated whole is greater, and far more powerful on behalf of the Nation, than the sum of these separate parts.

The Themes within the Commerce Strategic Plan create a setting for identifying and capitalizing on relationships among bureaus, and on partnerships with other agencies and external groups. The Plan supports the concept that strong working relationships will serve to strengthen the effectiveness of the Department as a whole, as well as demonstrate how individual bureaus logically and critically support the core mission of the Department. Ultimately, the overall performance of the Commerce Department must be measured in terms of the contributions of its component bureaus.

The Commerce Strategic Plan provides the framework for strengthening existing (and for developing new) relationships among bureaus and with external partners. Success for Commerce programs in the changing technological world and global economy will depend increasingly on alliances with business and industry, universities, State and local governments, and international parties. Partnerships promote the leveraging of resources and talent, and often provide the means for meeting program requirements more effectively because of the mutual benefits involved. Partnerships will also be key to help establish performance measures or goals where one agency lacks complete authority over the activities or policies which lead to a particular outcome. By establishing partnerships with other agencies or entities, shared outcomes become more achievable, and broader societal goals can be met more effectively.

OVERVIEW: LINKING OUR SECRETARIAL INITIATIVES, THE STRATEGIC PLAN, THE ANNUAL PERFORMANCE PLAN, AND THE FY 1999 REQUEST

The Secretarial Initiatives discussed above are fully

compatible with the Strategic Themes and their underlying goals and objectives. The linkages between the Strategic Themes and the Secretarial Initiatives are illustrated in the following table, and are explained in the Thematic discussions which follow.

FY 1999 INITIATIVES AND COMMERCE STRATEGIC THEMES

	<u>Theme 1</u> Economic Infrastructure	<u>Theme 2</u> Science, Technology, Information	<u>Theme 3</u> Resource and Asset Management and Stewardship
Decennial Census		X	
Upgrade Statistics	X	X	
Sustainable Development	X		X
Scientific Infrastructure	X	X	
Natural Disaster Reduction	X	X	X
Economic and Trade Assistance	X		
Public Broadcasting Conversion	X		X
Electronic Commerce	X	X	X

These Strategic Themes are interdependent, and help underscore the ways in which our programs support the Nation. Examples of this, and of how the Strategic Plan's goals, objectives, and performance measures of our programs are supported through the FY 1999 budget request, are discussed in the bureau-specific chapters of this Budget in Brief.

**IMPLEMENTING THEME 1:
SUPPORT FOR THE NATION'S
INFRASTRUCTURE**

The Nation's Economic Infrastructure is defined broadly in the Strategic Plan, because of Commerce's comprehensive mandates. In this Theme, Commerce is concerned with the issues surrounding our domestic and international trading capacities, our Nation's job-creation capacities, our support for minority business, our leading technological and innovation and improvements in production (and our protection of those new ideas), the economic health of our communities, our production capacities, our information infrastructure, and the provision of environmental predictions essential to protecting life and property.

The FY 1999 Secretarial Initiatives which are related to Theme 1 are:

- o Upgrade the Nation's Statistics
- o Foster Sustainable Development
- o Preserve and Enhance Scientific Infrastructure
- o Promote Natural Disaster Reduction
- o Economic and Trade Assistance for Impacted Communities
- o Support Public Broadcasting Digital Conversion
- o Promote Electronic Commerce

These Initiatives will add to the Department of Commerce's existing commitments for activities such as opening and expanding foreign markets for U.S. goods and services and to improving America's export performance. We are also committed to improving coordination and planning among Federal export promotion programs and to reducing or eliminating unnecessary obstacles to private sector exports. In addition, Commerce actively promotes initiatives supporting development of the National Information Infrastructure, expansion of economic development and planning assistance to distressed areas, and expedited technology transfer to private

sector users.

But the current activities conducted or supported by the Department of Commerce under Theme 1 are not confined to domestic or international trade, as comprehensive as that mandate may be. Commerce's true focus is on the Nation's economic infrastructure -- the farms, factories, small- and medium-size businesses, and universities that make up our economy and provide jobs for millions of Americans. Commerce programs combine to result directly in job creation and economic efficiency -- through promoting trade, developing and protecting technological advances in production and communication -- and in supporting the ways, even

the places, where those jobs are created by leveraging capital and other resources, and providing needed information, physical resources, and environmental prediction.

Each Commerce goal is a medium - to long-term effort which we will pursue through shorter-term, measurable objectives. Progress in meeting these objectives will be shown in specific annual accomplishments (or performance measures).

A sample of Theme 1's more extensive discussion of goals and performance measures includes:

GOAL	MEASURE
Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating	We will assist some 400,000 firms with our export counseling efforts.
Maintain a fully effective law enforcement program for dealing with national security concerns pertaining to	We will complete 800 outreach projects, illustrating the number of firms cooperating in this program and increasing their awareness of the need for protection of U.S. national security.
Strengthen the public's understanding of the U.S. economy.	We will develop updated measures of business investment to take account of areas such as computer software, thus modernizing our estimates.
Stimulate the creation of private sector jobs through the growth of industry and the retention/expansion of existing businesses.	49,000 jobs will be created and \$1 billion private dollars will be invested in EDA projects, showing this growth.
Improve opportunities for minority-owned businesses in major growth industries.	We will assist 1,000 firms to receive \$600 million in contracts, showing expansion into previously under-represented sectors of the economy.
Provide technical leadership for the Nation's measurement and standards infrastructure	Providing leadership in areas involving long-term scientific and technological R&D is a complex activity requiring an "Alternate Approach" as provided for under GPRA, and in this case, we will use a combination of peer review (to ensure that research is of the highest quality and technical relevance) and retrospective economic impact studies, along with quantitative output metrics.
Support the development of a National Information Infrastructure (NII) that will be accessible to all Americans.	We will be increasing the number of schools and libraries which are connected to the NII, providing for greater learning capacity across the Nation.
Provide significantly improved short-term warning and forecasting products and services.	We will provide 19 minute lead time, and 84% accuracy, for severe thunderstorm warnings, thus helping to protect life and property.

IMPLEMENTING THEME 2: SUPPORT FOR THE NATION'S SCIENCE, TECHNOLOGY, AND INFORMATION INITIATIVES

The issues underlying Theme 2 -- Science/Technology/Information -- have grown in importance as science and technology have become increasingly pervasive in our society. Under Theme 2, we set national policy and examine issues of technological development and innovation, conduct the scientific studies and data analysis leading to longer-range environmental predictions, provide information-based support to domestic business/research and international trade (ranging from the decennial census to specific market analysis), focus on the radio frequency spectrum and technological ways in which broadcasting is conducted, and conduct scientific and technical research in support of national needs.

The FY 1999 Secretarial Initiatives which are related to Theme 2 include:

- o Conduct Decennial Census
- o Upgrade the Nation's Statistics
- o Preserve and Enhance Scientific Infrastructure
- o Promote Natural Disaster Reduction
- o Promote Electronic Commerce

Maintaining cutting-edge science and technology and an unrivaled information base is a critical element in keeping America competitive. Commerce bureaus work in concert to carry out this strategy and, in so doing, support the Departmental mission in promoting job creation, economic growth, sustainable development, and improved living standards for all

Americans.

Promoting the application of cutting-edge science and technology by American businesses in their daily operation is critical to strengthening the international competitive position of American firms. Commerce programs: support R&D and promote the application of innovative technologies to commercialization of business processes; ensure protection of intellectual property; expand opportunities in international markets through export licensing; provide management and technical support to small- and medium-sized businesses and to economically distressed areas, and, collect and disseminate economic data and environmental information used by private and public sector policy makers and to measure our Nation's economic well-being.

At the same time, this Theme focuses on areas where global competition is the most fierce, and the Administration recognizes that in order to succeed as a Nation, we must thrive in the face of that competition. Nothing has influenced human culture more in the last century than technology. Every industrialized nation, and virtually every major corporation, recognizes the fundamental impacts of technology. Technology and the drive to invent more of it are so much a part of the American culture that the concept is contained in our Constitution. Within the Federal government, Commerce clearly leads the Nation in technology development, and we have been working with States and localities to find ways of bringing the benefits of technology development even closer to home.

A sample of Theme 2's more extensive discussion of goals and performance measures includes:

GOAL	MEASURE
Partner with industry to accelerate the development and application of cutting-edge technologies.	Through the ATP, 160 new enabling technologies that will generate broad-based economic benefits will be under commercialization.
Monitor and assess international R&D and barriers faced by U.S. industrial sectors.	Increased knowledge of technology policy tools of our foreign competitors, and application of that knowledge, will enable U.S. firms to compete more effectively in the global marketplace.
Predict and assess decadal to centennial climate changes.	We will evaluate 100% of viable CFC substitutes for their greenhouse warming potential, enabling more informed decisions for the use of these gases.

GOAL	MEASURE
Provide products and services of greater value and satisfaction to Census information customers.	We will attain 95-98% responses to the American Community Survey, yielding greater information and supporting customer satisfaction.
Employ the agency's extensive industry and country information base to counsel U.S. firms on appropriate export opportunities and strategies.	9,000 new-to-export and 26,000 new-to-market firms will receive export counseling assistance, increasing the numbers of satisfied customers and demonstrating our information's accuracy and usefulness.

IMPLEMENTING THEME 3: SUPPORT FOR THE NATION'S RESOURCE MANAGEMENT AND STEWARDSHIP RESPONSIBILITIES

The Resource/Asset Management/Stewardship activities under Theme 3 encompass several responsibilities. Under a series of legislative mandates (as well as references in the U.S. Constitution), Commerce has both direct and indirect management responsibilities for specific national resources, and stewardship responsibilities to ensure the optimum use of national assets. For example, Theme 3 focuses on intangible resources and assets -- we grant access rights to intellectual property and to portions of the radio frequency spectrum. But at the same time, within Theme 3, Commerce has direct responsibilities for fishery management activities, recovering protected species, and the sustainable use and development of coastal resources. Also under this Theme, we are concerned with the assets presented by closed military bases, and how best those assets can be converted for effective use by the local community.

The FY 1999 Secretarial Initiatives which are related to Theme 3 include:

- o Foster Sustainable Development
- o Promote Natural Disaster Reduction
- o Support Public Broadcasting Digital Conversion
- o Promote Electronic Commerce

These Initiatives build on the significant role that the Department of Commerce already plays in the management of our national resources, to ensure that

the economic benefits of these resources are available, on a sustainable basis, to the Nation as a whole. Departmental initiatives promote community and individual use of our national assets to ensure continuing increases in the economic well-being of the Nation.

The Department of Commerce has a diverse role in the management of our national resources. Illustrating this diversity in its resource management role, the Department of Commerce provides economic adjustment assistance to communities impacted by military base closures and defense facility downsizing, implements competitive grant programs supporting the development of the National Information Infrastructure, and manages the granting of intellectual property rights, the use of the radio frequency spectrum, and ocean and coastal resources.

Diverse as they appear initially, each of these national resources has the characteristic of "common resources." Unless property rights (or rights that define the user's ability to make decisions concerning an asset or resource's use) are created for these resources, their use can result in access or over-use problems. These problems exist when users are permitted to enjoy the benefits of a resource without paying the cost their use imposes upon society and the economy. This type of use results in inefficient use of these resources, and a loss to our Nation and the global economy.

Commerce is working to improve management and stewardship of "common resources" in many ways.

A sample of Theme 3's more extensive discussion of goals and performance measures includes:

GOAL	MEASURE
Build sustainable fisheries to increase the Nation's wealth and quality of life.	79% of regulated marine fish stocks will be assessed, leading to more cost-effective fishery management decisions.
Sustain healthy coasts to achieve more productive habitats for fish and wildlife and sustainable economies for coastal communities.	25% of the 40 largest coastal ecosystems will have reduced risks from hazardous chemicals, indicating an improved environment and a sounder basis for strong local economies.
Grant exclusive rights, for limited times, to inventors for their discoveries.	Reducing cycle time to 13.8 months for patents allows inventors to maximize the benefits from intellectual property.
Ensure that all government needs for vital telecommunications services can be satisfied nationally and internationally.	86,000 spectrum assignments will be made to Federal agencies, to satisfy their mission needs for spectrum use and provide for public safety and emergency needs.